

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Pennsylvania Bedding

Northeastern Pennsylvania Industrial Resource Center

Top Line Revenue Growth

Client Profile:

Pennsylvania Bedding is a manufacturer of mattresses, bedding foundations, and convert-a-beds. The company is located in Old Forge, Pennsylvania, and employs 50 people.

Situation:

Sales growth for the bedding industry was in the single digits, approximately 6 percent. The bedding industry revenue and growth were largely driven by high end products that were not part of the company's product lines. Client's sales growth was lagging the market average. Pennsylvania Bedding needed assistance in growing their top-line and turned to the Northeastern Pennsylvania Industrial Resource Center (NEPIRC), a NIST MEP network affiliate, for assistance.

Solution:

NEPIRC began by performing a comprehensive analysis of the client's sales system. This analysis identified several problems that were driving the sales growth problem. A few were: 1) lower than expected output by newly hired sales people; 2) inability to acquire new accounts; and 3) high turnover of new sales people. One of the first actions taken was to develop a training manual. This specified and delivered the knowledge base of both the product and the market that a successful salesperson must master. In addition, a guide was developed to help new salespersons learn how to communicate value to the customer and overcome objections to the buying process. Next, performance metrics and a feedback system were developed. This allowed the sales manager to track the weekly sales actions and performance of each salesperson. The feedback, coupled with well communicated performance metrics, kept new hires on track and gave management the ability to correct problems before new salespeople failed. Additionally, the hiring process was revamped. Assistance was given in the hiring and training of new salespeople. Hiring guidelines were developed to structure future hiring decisions. Finally, all current and new hires were trained in the use of all new materials and selling tools.

Results:

- * Top line revenue exceeded the industry average by approximately 22 percent.
- * Reduced employee turnover.
- * Reduced employee training time and costs.
- * Developed new product line with a target of adding 30 percent to top line revenues.
- * Planned plant expansion.

Testimonial:

"We have received tremendous value from our investment with NEPIRC. The creation of a sales manual, performance evaluation procedures, and the development of better hiring criteria have absolutely helped us to increase our sales and improve the quality of our sales efforts."

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Earl Helbing, Controller